



901 UNION TRUST BUILDING • 15TH AND H STREETS, N.W. • WASHINGTON 5, D. C. • ME 8-0364

American Society of Landscape Architects

COMMITTEE ON PROFESSIONAL SERVICE

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Lynn M. F. Harriss
Field Secretary

19 April 1960

Dear Chapter Secretary:

As a followup to President Norman Newton's recent letter urging Chapters who have not already done so to request tax exempt status from the several District Directors of the Internal Revenue Service, some background material and assistance for you, the hard-working Chapter Secretary, seems in order.

For your information, the American Society of Landscape Architects was organized in 1899 and incorporated 11 March 1916 under the laws of the State of Massachusetts. Upon our application we received tax exempt status from the Internal Revenue Service on 28 July 1943 as a business league under what is now Section 501(c)(6) of the Internal Revenue Code (1954). At that time the existence of Chapters within the parent organization was noted. However, so far as we know, no Chapter has obtained separate tax exempt status. According to our legal counsel, William Stanley, Jr., either this should be done or the parent organization require, receive and report all the financial transactions of each Chapter in connection with its own reports on Form 990. The latter method being cumbersome and undesirable from a number of viewpoints, the Society was notified on January 1958 by Mr. Stanley that the Chapters should seek their own tax exempt status in order to be within the law. It would be appreciated if Chapters that have carried through on this would send to the Washington office copies or reports of their activity and results in this regard.

Chapters who have not yet undertaken this activity may avail themselves of the following assistance: in the first place there are enclosed four copies of Internal Revenue Service Form 1024. When executed by an officer of the Chapter (you), original and duplicate are to be filed with the District Director of the Internal Revenue Service in your district, the third copy for your files and the fourth, if you please, sent here to the Washington Office, ASIA, for our records. Secondly, here are suggestions for filling out the form. Of course, at the top of the page put a check where it says "Section 501(c)(6)":

ITEMS AS NUMBERED

1. "_____ Chapter, American Society of Landscape Architects, Inc.
2. Address of local chapter (a permanent address is desirable but if this is the home of the Secretary any change should subsequently be reported.)
- 4a. "No" (Unless Chapter is actually incorporated in its own right.)

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ITEMS AS NUMBERED (CON'T)

- 4b. "(Parent is incorporated under laws of Massachusetts)"
- 4c. "Unincorporated Chapter"
- 4d. Date of establishment of Chapter
- 5a. "No" (unless Chapter has filed)
- 6a. Generally "No" but if created from other chapters so indicated by "yes" and explain. Date of this organization should be same as 4d.
- 6b. Assume not.
- 6c. Assume not.
- 6d. Assume not, but verify.
- 6e. It is assumed that this would normally be answered by "no". However, in the case of a Chapter member receiving some token stipend for performing the duty of secretary or otherwise this should be truthfully answered. It should be emphasized however that this is only a token honorarium or payment and that the services rendered are substantially greater than the token payment paid. Try to substantiate this by hours and amounts if possible.
- 6f. "No"
- 6g. Assume not
- 7a. "No" unless the Chapter has.
- 7b. "no"
- 7c. "No", unless you have information to the contrary.
- 8. Not applicable
- 9. This is an important question. Probably the answer will be "no".
- 10. Entire question not applicable.
- 11a. Not applicable unless you have previously incorporated as a chapter.
- 11b. "Yes"
- 11c. "Yes" Note that this requests copies in duplicate of your financial transactions in 1959 and on back as far as you have record.
- 11d. We assume that for the average Chapter books the receipts and expenditures it called for here are the same as for "assets and liabilities" under 11c hence need not be duplicated. However, 11d(2) should be carefully noted and answered correctly. 11d(1) and (3) will be found generally inapplicable.
- 11e. Since quoting of the Articles of Incorporation and Bylaws is specifically prohibited, some paraphrase such as the following should be acceptable: "To implement in this Chapter's territory the objectives of the parent organization, to wit: the advancement of education and skill in the art of landscape architecture." (You may wish to refer to Articles II, Section 1 of the suggested form of chapter constitution.)
- 11f. Describe any garden tours or any other lawful fund raising activities.
- 11i. This should be consonant with the answer given in 11e.
- 11j. Probably inapplicable.
- 11k. You may quote Section 3, Article VII of the National Constitution reading as follows, "In the event of the dissolution of the Society all existing funds of the Society shall be donated to one or more recognized educational institutions for the purpose of furthering education in the art of landscape architecture," or a similar section of your Chapter constitution.
- 11l. Since the constitution and bylaws cover this, this section is not applicable and need not be answered.

19 April 1960

ITEMS AS NUMBERED (CON'T)

- 4b. ("Parent is incorporated under laws of Massachusetts")
- 4c. "Incorporated Chapter"
- 4d. Date of establishment of Chapter
- 5a. "No" (unless Chapter has filed)
- 6a. Generally "No" but if created from other chapters so indicated by "yes" and explain. Date of this organization should be same as 4d.
- 6b. Assume not.
- 6c. Assume not.
- 6d. Assume not, but verify.
- 6e. It is assumed that this would normally be answered by "no". However, in the case of a Chapter member receiving some token award for performing the duty of secretary or otherwise this should be truthfully answered. It should be emphasized however that this is only a token honorarium or payment and that the services rendered are substantially greater than the token payment paid. Try to substantiate this by hours and amount if possible.
- 6f. "No"
- 6g. Assume not
- 7a. "No" unless the Chapter has.
- 7b. "No"
- 7c. "No", unless you have information to the contrary.
8. Not applicable
9. This is an important question. Probably the answer will be "no".
10. Negative question not applicable.
- 11a. Not applicable unless you have previously incorporated as a chapter.
- 11b. "Yes"
- 11c. "Yes" Note that this requests copies in duplicate of your financial transactions in 1959 and on back as far as you have record.
- 11d. We assume that for the average Chapter books the receipts and expenditures are called for here are the same as for "assets and liabilities" under the hence need not be duplicated. However, 11d(2) should be carefully noted and answered correctly. 11d(1) and (3) will be found generally inapplicable.
- 11e. Since quoting of the Articles of Incorporation and Bylaws is specifically prohibited, some phrases such as the following should be acceptable: "To implement in this Chapter's territory the objectives of the parent organization, to wit: the advancement of education and skill in the art of landscape architecture." (You may wish to refer to Articles II, Section 1 of the suggested form of chapter constitution.)
- 11f. Describe any garden route or any other lawful fund raising activities. This should be consistent with the answer given in 11a.
- 11g. Probably inapplicable.
- 11h. You may quote Section 3, Article VII of the National Constitution reading as follows: "In the event of the dissolution of the Society all existing funds of the Society shall be donated to one or more recognized educational institutions for the purpose of furthering education in the art of landscape architecture." or a similar section of your Chapter constitution. Since the constitution and bylaws cover this, this section is not applicable and need not be answered.

To Chapter Secretaries
Page Three
19 April 1960

If your chapter has not been submitting annual returns to the Internal Revenue Service suggest a letter of transmittal along the lines of that below be submitted to the District Director of the Internal Revenue along with your Forms 1024.

Best wishes,

Lynn M. F. Harriss
Lynn M. F. Harriss
Field Secretary

Encl- 4 copies form 1024

District Director of Internal Revenue

Dear Sir:

Enclosed herewith please find Form 1024 requesting a determination that the Chapter of the American Society of Landscape Architects, Inc., is exempt from tax under Section 501(c)(6), Internal Revenue Code of 1954.

By letter dated July 28, 1943, bearing reference IT: P:T:1:JPB, the Treasury Department ruled that the American Society of Landscape Architects, Inc., was exempt from Federal income tax under Section 101(7) of the Internal Revenue Code of 1939. The existence and operation of the Chapters was fully disclosed in the application on which such ruling letter was based, and there has been no significant change in the function of the Chapters since that time. Previously it had been assumed that the letter of July 28, 1943, covered this Chapter as well as the parent organization. Recently, however, we have been advised that a separate ruling letter for this Chapter would be more in accord with current practice, and this application is made accordingly.

As suggested in Regulations Section 1.6033-1(c), an extension of time for filling Form 1120 for 1959 and for paying tax thereon is requested pending resolution of the Chapter's status.

Very truly yours,

Secretary-Treasurer, _____
Chapter

If your chapter has not been submitting annual returns to the Internal Revenue Service suggest a letter of transmittal along the lines of that below be submitted to the District Director of the Internal Revenue along with your Forms 1024.

Best wishes,

John W. Harris
John M. F. Harris
Field Secretary

Encl - 4 copies form 1024

District Director of Internal Revenue

Dear Sir:

Enclosed herewith please find Form 1024 requesting a determination that the Chapter of the American Society of Landscape Architects, Inc., is exempt from tax under Section 501(c)(6), Internal Revenue Code of 1954.

By letter dated July 28, 1963, bearing reference IT: T-1:39B, the Treasury Department ruled that the American Society of Landscape Architects, Inc., was exempt from Federal income tax under Section 101(v) of the Internal Revenue Code of 1939. The existence and operation of the Chapter was fully disclosed in the application on which such ruling letter was based, and there has been no significant change in the function of the Chapter since that time. Previously it had been assumed that the letter of July 28, 1963, covered this Chapter as well as the parent organization. Recently, however, we have been advised that a separate ruling letter for this Chapter would be more in accord with current practice, and this application is made accordingly.

As suggested in Regulations Section 1.6033-1(c), an extension of time for filing Form 1120 for 1959 and for paying tax thereon is requested pending resolution of the Chapter's status.

Very truly yours,

Secretary-Treasurer,
Chapter

